

plan designed to move that individual into the work force as quickly as possible. Support, job training, and child care will be provided to help people move from dependence to independence. Time limits will ensure that anyone who can work, must work—in the private sector if possible, in a temporary subsidized job if necessary.

This legislation includes several provisions aimed at creating a new culture of mutual responsibility. It includes provisions to promote parental responsibility and ensure that both parents contribute to their children's well-being. This legislation establishes the toughest child support enforcement program ever. It also includes: incentives directly tied to the performance of the welfare office; extensive efforts to detect and prevent welfare fraud; sanctions to prevent gaming of the welfare system; and a broad array of incentives that States can use to encourage responsible behavior.

Preventing teen pregnancy and out-of-wedlock births is a critical part of welfare reform. To prevent welfare dependency, teenagers must get the message that staying in school, postponing pregnancy, and preparing to work are the right things to do. Our prevention approach includes a national campaign against teen pregnancy and a national clearinghouse on teen pregnancy prevention. Roughly 1,000 middle and high schools in disadvantaged areas will receive grants to develop innovative teen pregnancy prevention programs.

The Work and Responsibility Act of 1994 proposes dramatic changes in our welfare system, changes so bold that they cannot be accomplished overnight. We can phase in these changes by focusing on young people, to send a clear message to the next generation that we are ending welfare as we know it. The bill targets resources on welfare beneficiaries born after December 31, 1971. This means that over time, more and more welfare beneficiaries will be affected by the new rules: about a third of the caseload in 1997, and half by the year 2000. States that want to phase in faster will have the option of doing so.

The results of these changes will be far-reaching. In the year 2000, 2.4 million adults will be subject to the new rules under welfare reform, including time limits and work requirements. Almost 1 million people will be either off welfare or working.

But the impact of welfare reform cannot be measured in these numbers alone. This legislation is aimed at strengthening families and instilling personal responsibility by helping people help themselves. We owe every child in America the chance to watch their parents assume the responsibility and dignity of a real job. This bill is designed to make that possible.

I urge the Congress to take prompt and favorable action on this legislation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, June 21, 1994.

By unanimous consent, the message, together with the accompanying pa-

pers, was referred to the Committee on Ways and Means, the Committee on Education and Labor, the Committee on Agriculture, the Committee on Energy and Commerce, the Committee on the Judiciary and the Committee on Foreign Affairs and ordered to be printed (H. Doc. 103-273).

¶66.31 NATIONAL EMERGENCY WITH  
RESPECT TO SERBIA AND  
MONTENEGRO

The SPEAKER pro tempore, Mr. HOLDEN, laid before the House a message from the President, which was read as follows:

*To the Congress of the United States:*

On May 30, 1992, in Executive Order No. 12808, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States arising from actions and policies of the Governments of Serbia and Montenegro, acting under the name of the Socialist Federal Republic of Yugoslavia or the Federal Republic of Yugoslavia, in their involvement in and support for groups attempting to seize territory in Croatia and Bosnia-Herzegovina by force and violence utilizing, in part, the forces of the so-called Yugoslav National Army (57 FR 23299, June 2, 1992). The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c). It discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the declaration of a national emergency in Executive Order No. 12808 and to expanded sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) (the "FRY (S/M)") contained in Executive Order No. 12810 of June 5, 1992 (57 FR 24347, June 9, 1992), Executive Order No. 12831 of January 15, 1993 (58 FR 5253, January 21, 1993), and Executive Order No. 12846 of April 26, 1993 (58 FR 25771, April 27, 1993).

1. Executive Order No. 12808 blocked all property and interests in property of the Governments of Serbia and Montenegro, or held in the name of the former Government of the Socialist Federal Republic of Yugoslavia or the Government of the Federal Republic of Yugoslavia, then or thereafter located in the United States or within the possession or control of United States persons, including their overseas branches.

Subsequently, Executive Order No. 12810 expanded U.S. actions to implement in the United States the United Nations sanctions against the FRY (S/M) adopted in United Nations Security Council Resolution 757 of May 30, 1992. In addition to reaffirming the blocking of FRY (S/M) Government property, this order prohibits transactions with respect to the FRY (S/M) involving imports, exports, dealing in FRY-origin property, air and sea transportation, contract performance, funds transfers, activity promoting importation or exportation or dealings in property, and official sports, scientific, technical, or other cultural representation of, or

sponsorship by, the FRY (S/M) in the United States.

Executive Order No. 12810 exempted from trade restrictions (1) transshipments through the FRY (S/M), and (2) activities related to the United Nations Protection Force ("UNPROFOR"), the Conference on Yugoslavia, or the European Community Monitor Mission.

On January 15, 1993, the President issued Executive Order No. 12831 to implement new sanctions contained in United Nations Security Council Resolution 787 of November 16, 1992. The order revoked the exemption for transshipments through the FRY (S/M) contained in Executive Order No. 12810, prohibited transactions within the United States or by a United States person relating to FRY (S/M) vessels and vessels in which a majority or controlling interest is held by a person or entity in, or operating from, the FRY (S/M), and stated that all such vessels shall be considered as vessels of the FRY (S/M), regardless of the flag under which they sail.

On April 26, 1993, I issued Executive Order No. 12846 to implement in the United States the sanctions adopted in United Nations Security Council Resolution 820 of April 17, 1993. That resolution called on the Bosnian Serbs to accept the Vance-Owen peace plan for Bosnia-Herzegovina and, if they failed to do so by April 26, called on member states to take additional measures to tighten the embargo against the FRY (S/M) and Serbian-controlled areas of Bosnia-Herzegovina and the United Nations Protected Areas in Croatia. Effective April 26, 1993, the order blocked all property and interests in property of commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S/M), including property and interests in property of entities—wherever organized or located—owned or controlled by such undertakings or entities, that are or thereafter come within the possession or control of United States persons.

2. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code. The emergency declaration was reported to the Congress on May 30, 1992, pursuant to the section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in Executive Order Nos. 12810, 12831, and 12846 were imposed pursuant to the authority vested in the President by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act (22 U.S.C. 287c).

3. There have been no amendments to the Federal Republic of Yugoslavia

(Serbia and Montenegro) Sanctions Regulations (the "Regulations"), 31 C.F.R. Part 585, since the last report. Of the two court cases in which the blocking authority was challenged as applied to FRY (S/M) subsidiaries and vessels in the United States, the government's position in the case involving the blocked vessels was upheld by the Fifth Circuit Court of Appeals. The Supreme Court declined to review the decision. *Milena Ship Management Co. v. Newcomb*, 804 F. Supp. 859 (E.D. La. 1992), *aff'd*, 995 F. 2d 620 (5th Cir. 1993), Cert. denied — U.S. —, 114 S.Ct. 877 (1994). The case involving a blocked subsidiary is pending a decision by the court on the government's motion for summary judgment.

4. Over the past 6 months, the Departments of State and Treasury have worked closely with European Community (the "EC") member states and other U.N. member nations to coordinate implementation of the sanctions against the FRY (S/M). This has included visits by assessment teams formed under the auspices of the United States, the EC, and the Conference for Security and Cooperation in Europe (the "CSCE") to states bordering on Serbia and Montenegro; deployment of CSCE sanctions assistance missions ("SAMs") to Albania, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Hungary, Romania, and Ukraine to assist in monitoring land and Danube River traffic; bilateral contacts between the United States and other countries for the purpose of tightening financial and trade restrictions on the FRY (S/M); and establishment of a mechanism to coordinate enforcement efforts and to exchange technical information.

5. In accordance with licensing policy and the Regulations, FAC has exercised its authority to license certain specific transactions with respect to the FRY (S/M) that are consistent with the Security Council sanctions. During the reporting period, FAC has issued 114 specific licenses regarding transactions pertaining to the FRY (S/M) or assets it owns or controls, bringing the total as of April 15, 1994, to 677. Specific licenses have been issued (1) for payment to U.S. or third-country secured creditors, under certain narrowly defined circumstances, for pre-embargo import and export transactions; (2) for legal representation or advice to the Government of the FRY (S/M) or FRY (S/M)-controlled clients; (3) for the liquidation or protection of tangible assets of subsidiaries of FRY (S/M)-controlled firms located in the United States; (4) for limited FRY (S/M) diplomatic representation in Washington and New York; (5) for patent, trademark and copyright protection and maintenance transactions in the FRY (S/M) not involving payment to the FRY (S/M) Government; (6) for certain communications, news media, and travel-related transactions; (7) for the payment of crews' wages, vessel maintenance, and emergency supplies for FRY (S/M)-controlled ships blocked in the United

States; (8) for the removal from the FRY (S/M) of certain property owned and controlled by U.S. entities; and (9) to assist the United Nations in its relief operations and the activities of the U.N. Protection Forces. Pursuant to regulations implementing United Nations Security Council Resolution 757, specific licenses have also been issued to authorize exportation of food, medicine, and supplies intended for humanitarian purposes in the FRY (S/M).

During the past 6 months, FAC has continued to oversee the liquidation of tangible assets of the 15 U.S. subsidiaries of entities organized in the FRY (S/M). Subsequent to the issuance of Executive Order No. 12846, all operating licenses issued for these U.S.-located Serbian or Montenegrin subsidiaries or joint ventures were revoked, and the net proceeds of the liquidation of their assets placed in blocked accounts.

The Board of Governors of the Federal Reserve Board and the New York State Banking Department again worked closely with FAC with regard to two Serbian banking institutions in New York that were not permitted to conduct normal business after June 1, 1992. The banks had been issued licenses to maintain a limited staff for audit purposes while full-time bank examiners were posted in their offices to ensure that banking records are appropriately safeguarded. Subsequent to the issuance of Executive Order No. 12846, all licenses previously issued were revoked. FAC is currently working with the Federal Reserve Board and the New York State Banking Department to resolve outstanding issues regarding the banks.

During the past 6 months, U.S. financial institutions have continued to block funds transfers in which there is an interest of the Government of the FRY (S/M) or an entity or undertaking located in or controlled from the FRY (S/M). Such transfers have accounted for \$58.6 million in Yugoslav assets blocked since the issuance of Executive Order No. 12808, with some \$22 million in funds transfers frozen during the past 6 months.

To ensure compliance with the terms of the licenses that have been issued under the program, stringent reporting requirements are imposed. More than 380 submissions were reviewed since the last report and more than 194 compliance cases are currently open. In addition, licensed bank accounts are regularly audited by FAC compliance personnel and by cooperating auditors from bank regulatory agencies.

6. Since the issuance of Executive Order No. 12810, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of the FRY (S/M) has an interest) are identified and interdicted, and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated and appropriate enforcement actions are being

taken. There are currently 50 cases under active investigation. Since the last report, FAC has collected 20 civil penalties totaling nearly \$75,000 from 17 financial institutions for violations involving transfers of funds in which the Government of the FRY (S/M) has an interest. Two U.S. companies and one law firm have also paid penalties related to exports and unlicensed payments to the Government of the FRY (S/M) for trademark registrations.

7. The expenses incurred by the Federal Government in the 6-month period from November 30, 1993, through May 29, 1994, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to the FRY (S/M) are estimated at about \$3 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, the U.S. Coast Guard, and the Department of Commerce.

8. The actions and policies of the Government of the FRY (S/M), in its involvement in and support for groups attempting to seize and hold territory in Croatia and Bosnia-Herzegovina by force and violence, continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the binding resolutions of the United Nations Security Council with respect to the FRY (S/M).

I shall continue to exercise the powers at my disposal to apply economic sanctions against the FRY (S/M) as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, June 21, 1994.

By unanimous consent, the message was referred to the Committee on Foreign Affairs and ordered to be printed (H. Doc. 103-274).

#### ¶66.32 SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 150. An Act to provide for assistance in the preservation of Taliesin in the State of Wisconsin, and for other purposes; to the Committee on Natural Resources;

S. 316. An Act to establish the Saguaro National Park in the State of Arizona, and for other purposes; to the Committee on Natural Resources;

S. 472. An Act to improve the administration and management of public lands, National Forests, units of the National Park System, and related areas by improving the availability of adequate, appropriate, affordable, and cost effective housing for employees needed to effectively manage the public lands; to the Committee on Natural Resources; and